

**AGENDA
ITEM
NO. 8.b**

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION
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KATE McKENNA, AICP
Executive Officer

DATE: March 29, 2010

TO: Chair and Members of the Formation Commission

FROM: Kate McKenna, AICP, LAFCO Executive Officer

SUBJECT: CONSIDER THE SALINAS-AG INDUSTRIAL CENTER ("UNI-KOOL") SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION OF A 252+/- ACRE SITE TO THE CITY OF SALINAS. THIS PROPOSAL INCLUDES ANNEXATION TO THE MONTEREY REGIONAL COUNTY SANITATION DISTRICT AND DETACHMENT FROM THE MONTEREY COUNTY REGIONAL FIRE PROTECTION DISTRICT AND RESOURCE CONSERVATION DISTRICT. THE SITE INCLUDES ASSESSORS PARCEL NUMBERS 177-033-005 AND 177-033-007, AND IS NORTHWEST OF THE INTERSECTION OF ABBOTT STREET AND HARRIS ROAD. THE PURPOSE OF THIS PROPOSAL IS TO FACILITATE DEVELOPMENT OF AN AGRICULTURAL INDUSTRIAL CENTER. (LAFCO FILE NO. 10-02)

SUMMARY OF RECOMMENDATIONS:

It is recommended that the Formation Commission conduct a public hearing and adopt the attached resolutions to:

1. Adopt findings of fact and a statement of overriding considerations in reliance on the Final Program Environmental Impact Report for the Salinas-Ag Industrial Center (November 29, 2009) [Attachment 2: CEQA Resolution]; and
2. Approve amendments to expand the Spheres of Influence of the City of Salinas and Monterey Regional County Sanitation District (Monterey Regional Water Pollution Control Agency) by approximately 246.29 acres [Attachment 3: "Sphere of Influence Resolution"];
3. Waive conducting authority protest proceedings for the annexations and detachments per Section 56663(c) of Cortese-Knox-Hertzberg Local

Government Reorganization Act of 2000 [Attachment 4: "Annexation Resolution"], and

4. Approve the annexation of approximately 252.41 acres to the City of Salinas and the Monterey Regional County Sanitation District and its detachment from the Monterey County Regional Fire Protection District, but disapprove the proposed detachment from the Resource Conservation District of Monterey County [Attachment 4: "Annexation Resolution"].

EXECUTIVE OFFICER'S REPORT:

Overview of the Proposal and Recommended Action

The proposal consists of two primary, but interrelated, actions: an increase of the Sphere of Influence of the City of Salinas by approximately 246.29 acres and an annexation to the City of approximately 252.41 acres. These actions are part of the overall "Salinas-Ag Industrial Center Project" that was approved by the Salinas City Council on January 19, 2010. At that meeting the City Council authorized the submittal of an application for a Sphere of Influence Amendment and Annexation, and also approved the following entitlements: 1) General Plan Amendment, 2) Specific Plan, 3) Rezoning, 4) Prezoning, and 5) Master Parcel Map.

The proposed annexation area is on the southern edge of the City of Salinas, along Abbott Street, approximately one-half mile southwest of the Salinas Municipal Airport. The area proposed for annexation includes all of the area within the proposed Sphere of Influence amendment plus a portion of Abbott Street, adjacent to the proposed development site, which is already within the City's Sphere of Influence. Attachment 1a is a map illustrating the location of the proposal area; Attachment 1b is an aerial photograph of the area.

The annexation area is composed of the following components, which are illustrated in Attachment 1b:

- Assessor's Parcel Numbers 177-133-005 (180.31± acres) and 177-133-007 (60.12± acres): These parcels are owned by The Uni-Kool Partners and are proposed as the location of the Salinas-Ag Industrial Center. [A third Uni-Kool owned parcel, APN 177-133-004 (16.41± acres), fronts on Abbott Street and was annexed to the City in 1963; this parcel is included within the City-approved Salinas-Ag Industrial Center development but is not a part of the current LAFCO application.]
- A portion of Harris Road that is adjacent to the proposed development site (3.13± acres): The entire Harris Road right-of-way that is adjacent to the proposed development would be annexed into the City.
- A portion of Abbott Street that is adjacent to the proposed development site (6.12± acres): The entire Abbott Street right-of-way that is adjacent to the proposed development would be annexed into the City: [This street right-of-way is adjacent to the portion of the development that is already within the City limits:

APN 177-133-004. This street right-of-way is also the only area proposed for annexation that is currently within the City's Sphere of Influence.]

- A portion of Abbott Street between Harris Road and the existing southerly City boundary (2.73± acres): This street right-of-way is adjacent to an industrially developed area that was annexed to the City in 1963. The roadway was not annexed to the City at that time because it would have created a noncontiguous road annexation.

The proposal also includes the following secondary actions, which are requested to allow the primary actions to proceed:

- 1) A Sphere of Influence increase of approximately 246.29 acres and annexation of approximately 252.41 acres to the Monterey Regional County Sanitation District; this district is a dependent district of the Monterey Regional Water Pollution Control Agency;
- 2) Detachment of approximately 252.41 acres from the Monterey County Regional Fire Protection District, and
- 3) Detachment of approximately 252.41 acres from the Resource Conservation District of Monterey County.

According to the Environmental Impact Report the parcels proposed for annexation are prime farmland which are currently, and have historically been, in active agricultural use. Lettuce, cauliflower, and broccoli have been the primary cultivated crops. Two small residences and a farm equipment storage building are located near the Harris Road/Abbott Street intersection. An above-ground diesel fuel tank is located adjacent to the homes and farm equipment storage area.

Attachment 1d is a map from the Environmental Impact Report that identifies the soils of the Plan Area¹.

Land Use Designation, Rezoning and Proposed Uses

The existing 1982 Monterey County General Plan designates the proposed annexation area as Farmland with a 40-Acre Minimum. The County zoning of this parcel, F/40, is consistent with this General Plan designation. On January 19, 2010, in anticipation of the proposed annexation, the City of Salinas approved a General Plan amendment changing the land use designation to General Industrial. At that time the City also approved a Specific Plan and rezoning. The Specific Plan was designed to support agricultural-industrial expansion, encourage diversity within the agricultural-industrial cluster, and provide flexibility to adapt to changing market conditions. The rezoning designates the proposed annexation area (APN 177-133-005 and 177-133-007) for inclusion within the Industrial General (IG) zoning district.

¹ "Plan Area" is a term used in the Environmental Impact Report that refers to the three parcels contained within the 256.84± acre City-approved Salinas-Ag Industrial Center General Development Plan. This includes a 16.41± acre parcel along Abbott Street (177-133-004) that is already in the City limits and is therefore not a part of the current proposal before LAFCO.

The annexation area is classified in the Specific Plan for Agricultural-Industrial uses. Allowed uses include agricultural processing, agricultural processing related uses, and/or uses that support agricultural related industries.² The Specific Plan includes a detailed description of uses that are permitted either outright or with Site Plan Review approval or Conditional Use Approval. Typical businesses in these allowed uses will have office space for employees and visitors, shop buildings, supply buildings and/or a supply yards, warehousing and fabrication or cooling facilities. Overall it is estimated that the development of the entire Salinas-Ag Industrial Center will enable the construction of approximately 4.3 million square feet of industrial uses and employ 4,100 workers.

City-County Consultation

Section 56425(b) of the Government Code requires a City-County consultation process prior to the submission of an application for the update of a city's Sphere of influence. This requirement was met through a series of negotiations between the City and the County that began with the joint approval of the 2006 Greater Salinas Area Memorandum of Understanding. The 18-point pact calls for the County and City to work together on key issues, such as housing development, agricultural land preservation and infrastructure improvements and to eliminate legal skirmishes. The agreement expressed the County's support of "future City Sphere of Influence / Annexation proposals to the south of the City's existing City Limits for the exclusive purpose of agricultural processing and processing capacity (Uni-Kool), subject to the establishment of appropriate agricultural conservation easements."

In a February 19, 2010 letter from Senior Planner Robert Schubert [Attachment 5], the County of Monterey acknowledged that "the City has fulfilled its obligation to consult with the County in compliance with the City-County consultation process required by Government Code Section 56425."

City-County Tax Sharing Agreement

On April 8, 2008, as part of the negotiations surrounding the City's "Future Growth Area" proposal, the City and County executed a document entitled "Agreement (Master Tax Transfer upon Annexation)." This agreement outlined the specific formula to be used in the transfer of taxes following an annexation by the City of Salinas, and specifically stated that the agreement applied to "the proposed Uni-Kool site to the south of Highway 101" and other proposed annexations. The Agreement also included a provision allowing the Monterey County Regional Fire Protection District³ to retain its base property taxes.

The County has acknowledged in Robert Schubert's February 19, 2010 letter [Attachment 5] that "the terms of the [April 8, 2008] agreement govern tax sharing for this matter."

² The approximately 16.41 acres of the Salinas-Ag Industrial Center that are within APN 177-133-004 are currently within the City of Salinas. This long parcel, which is the frontage of Abbott Street, is designated "General Industrial" and may include some non-agriculturally related uses.

³ At the time of the 2008 Agreement the Monterey County Regional Fire Protection District went by the name of the Salinas Rural Fire Protection District.

Salinas-Ag Industrial Center Sphere of Influence / Annexation Issues

Staff has reviewed the City's proposal to determine its consistency with LAFCO policies. Eight issues have been identified as primary issues. Staff has determined that no issue remains unresolved. The following issues are examined in the next few pages:

1. Consistency with Policy on Preservation of Open-Space & Agricultural Lands;
2. Detachment from the Resource Conservation District;
3. Consistency with Groundwater Standards;
4. Storm Water Drainage;
5. Traffic Mitigations;
6. Financing of Public Services;
7. Employment Opportunities, and
8. Impact on Special District Boundaries.

1. Consistency with Policy on Preservation of Open-Space & Agricultural Lands: The January 25, 2010 "Policy on Preservation of Open-Space and Agricultural Lands" quotes State law that requires proposals to provide for "planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns." These Policies encourage agreements between neighboring local agencies regarding land preservation; agricultural land preservation was one of the topics included within the Greater Salinas Area Memorandum of Understanding between the City and the County.

Within the "Policy on Preservation of Open-Space and Agricultural Lands" the following specific direction is given:

- a. A Proposal must discuss how it balances the state interest in the preservation of open space and prime agricultural lands against the need for orderly development.

The City's written proposal reviewed this issue and stated that the project site is surrounded on two sides and a portion of a third side by lands within the City, to which urban services are now provided. The proposal requires no exceptional expansions/extensions of existing urban services and major urban service providers have stated that they have capacity to provide services. The proposal enables concentration of diverse agricultural support services at one location.

- b. A Proposal must discuss its effect on maintaining the physical and economic integrity of agricultural lands.

The proposal includes agricultural buffer easements, an agricultural conservation easement, and fee title dedication of agricultural land to the Ag Land Trust.

Buffers: The agricultural buffers substantially reduce potential land use conflicts between proposed industrial uses and on-going adjacent agricultural operations. The Specific Plan includes a 70-foot wide agricultural buffer easement along the 3780±-foot southwest Plan Area boundary. Along the southernmost two-thirds of this boundary, the buffer easement is a part of an

84-foot street right-of-way, which is also paralleled with a 22 foot vegetated swale; for this length the effective buffer measures 106 feet.

One other portion of the proposed development is adjacent to agricultural fields. This is a street frontage of approximately 850 feet along Harris Road, southeast of the existing industrial development which extends from Abbott Street. Along this area the proposal calls for a 20-foot agricultural buffer easement, which along with the Harris Road right-of-way and 22-foot vegetated swale, combines for an 87-foot effective buffer. A planned expansion of the right-of-way will increase its width from 65 to 94 feet. Once this occurs the effective buffer will be 116 feet. While this planned expansion is proposed by the City, it will not be completed as part of the development of the Salinas-Ag Industrial Center.

Attachment 1e is a map delineating the locations of the agricultural buffers in the annexation area.

Extension of City utility infrastructure across these buffers is also prohibited by the Buffer Easement Deed. This prohibition substantially reduces the potential that the proposal would induce growth and conversion of adjacent agricultural lands to nonagricultural use through increased access to urban services and utilities.

Conservation Easements: Mitigation Measure AG-1 in the Mitigation Monitoring and Reporting Program requires the project applicant to dedicate agricultural conservation easements to partially mitigate the impact of farmland conversion. As described in the August 28, 2009 letter from Brian Finegan, the project applicant's representative, the project applicant will dedicate an agricultural conservation easement over the 197-acre Odello ranch that is currently in agricultural production. The ranch location, along Boronda Road, is shown in Attachment 1f to this Report. The project applicant will also grant fee title of the ranch to the Ag Land Trust, thereby allowing the Ag Land Trust to collect rents from lease of the land that can be used to expand the Trust's agricultural land conservation activities. [The letter from Brian Finegan can be found on page 2-7 of the Final Program Environmental Impact Report which is in Attachment 6 to this Report.]

Support for Agriculture: The City has also stated that the proposal "supports the agricultural industry in Salinas Valley as a whole. It will provide valuable agricultural support services that are the underpinning of the agricultural industry. In this way, the proposal will directly enhance the economic viability of the entire agricultural sector. By improving the sector's economic viability, the proposal will also indirectly reduce potential for further conversion of agricultural lands that might otherwise occur should owners of agricultural lands deem alternative uses to be more profitable."

- c. A Proposal must discuss whether it could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space land to uses other than open-space uses.

The buffers that will be established by this proposal will discourage the conversion of agricultural land to the south from converting to urban uses. The granting of an agricultural easement over the 197-acre Odello ranch will discourage the conversion of agricultural lands to the northwest of the City.

- d. A Proposal must, if applicable, provide for pre-zoning, and must demonstrate that it is consistent with the General Plans and Specific Plans of the existing local agency and any immediately adjacent local agency.

Consistency with this requirement was discussed in a previous section of this Report.

2. Detachment from the Resource Conservation District

The proposal submitted by the City of Salinas included detachment of the proposed annexation area from the Resource Conservation District (RCD) of Monterey County, which is generally consistent with previous Commission approved annexations.

On March 18, 2010, the RCD Board of Directors voted to request that LAFCO reverse its practice of automatically detaching City annexations from the RCD. The RCD Board made this request based on the desire of Board members to be able to provide conservation services to landowners in the cities as well as in the unincorporated County. While grant sources now utilized by the RCD do not preclude the District from working outside of District boundaries, future funding sources may limit these activities.

While the letter from the RCD formally requesting this change was not available when this Report was written, it will be forwarded to the Commission.

LAFCO of Monterey County has historically followed the practice of many LAFCOs in detaching lands annexed to cities on the basis that these areas would not continue to benefit from RCD programs. On occasion, however, the Commission has deviated from this practice. In considering the proposed incorporation of Carmel Valley the Commission determined that Carmel Valley should stay within the Resource Conservation District because it would continue to benefit from the District's land conservation programs.

Staff has reviewed the RCD's request and found that leaving city annexations within the District is consistent with three existing local LAFCO policies:

- a. The recently adopted "*Policy on Preservation of Open-Space and Agricultural Lands*" emphasizes the importance of open space and agricultural lands in the County. Support of the Resource Conservation District's request is consistent with this emphasis;
- b. An existing policy in the "*Sphere of Influence Policies and Criteria*" states that "the Commission will discourage boundary change proposals involving

urban development outside adopted city spheres of influence that have the potential to negatively impact ... existing local governmental agencies ...," and

- c. An existing policy in the "*Standards for the Evaluation of Proposals*" states that "the Commission shall discourage proposals that would have adverse financial impacts on the provision of governmental services...."

The Resource Conservation District provides landowners and growers assistance with conservation planning and design, project funding, permitting and implementing management practices. The RCD works with local researchers to develop new ways to improve water quality, and to evaluate the effectiveness of management practices. The RCD also assists landowner and grower applications to funding sources such as the USDA Environmental Quality Incentives Program. The RCD is neither a taxing nor a regulatory agency.

3. Consistency with Groundwater Standards

Section 56668(k) of the Government Code requires that LAFCO consider the "timely availability of water supplies adequate for projected needs." In addition the Commission has adopted local Groundwater Standards for the approval of proposals.

Water Availability: The availability of water for the proposed development was reviewed in the Environmental Impact Report. The environmental document relied heavily on the "Water Supply Assessment" prepared by the water provider, the California Water Service Company ("Cal Water"). The Water Supply Assessment was prepared pursuant to the requirements of SB 610 that an assessment be prepared and incorporated into the CEQA process for new development projects that meet certain size and intensity criteria.

Cal Water represents that it will have adequate water supplies to meet the projected Plan Area build-out in addition to those of its existing customers and 49 other anticipated future water users as identified by the City. Adequate water supplies was determined to exist for the 20 year period beginning in from 2008 under normal, single dry year and multiple dry year conditions.

Saltwater Intrusion: The Salinas Valley Groundwater Basin is considered to be in overdraft, with saltwater intrusion in both the 180-foot and 400-foot aquifers. These aquifers are the primary source of domestic water for the Salinas area. The Environmental Impact Report examined this issue and found it to be a less than significant impact for the following reasons:

- The project developer is required to incorporate Low Impact Development Design which will encourage infiltration of storm water into the groundwater system;

- The demand is projected to result in positive recharge of approximately 139 acre-feet per year of groundwater relative to demand created by the existing/historical agriculture of the Plan Area, and
- The Salinas Valley Water Project is being constructed by the Monterey County Water Resources Agency to halt seawater intrusion and bring the groundwater basin back into hydrologic equilibrium.

4. Storm Water Drainage

The proposed annexation area is within the Reclamation Ditch Watershed, where the potential for flooding is of particular concern to the Regional Water Quality Control Board and the Monterey County Water Resources Agency ("MCWRA"). The project developer made substantial effort, with input from City staff, to design the on-site storm water management system to ensure consistency with the Storm Water Control Plan and the City's Storm Water Development Standards. The City of Salinas has reviewed the project's technical information and determined that the project will not contribute to off-site flooding impacts on Heinz Lake, Carr Lake or the Reclamation Ditch, nor will it adversely affect water quality. The Environmental Impact Report found that "provided new development is implemented as proposed, the effect of future development on the MCWRA's Reclamation Ditch and to the flood control system in general would be nearly immeasurable." [Draft EIR, page 2-107] The Moss Landing Harbor District is reviewing this proposal and any comments from the District will be presented to the Commission as they are available.

5. Regional Traffic Mitigations

The Environmental Impact Report for the Salinas-Ag Industrial Center includes a number of mitigations to address the traffic impacts of the proposed development. These mitigations include specific improvements that the developer will be required to make, as well as the payment of traffic impact fees to the City of Salinas Traffic Fee Program, the Transportation Agency of Monterey County ("TAMC") Regional Development Fee Program, and a County-wide Traffic Impact fee program that is being developed by the County.

The development of a County-wide Traffic Impact fee program was agreed to by the City and County in the August 2006 Greater Salinas Memorandum of Understanding ("MOU"). This program would be for the improvement of major County roads in accordance with the County's adopted General Plan. The MOU stated that the traffic impact fee program should be completed within 18 months of the adoption of the 2006 County General Plan.

The traffic impact fee program and County General Plan have not yet been adopted. The Environmental Impact Report states that "if the County does not adopt an impact fee program including these improvements [which have been identified as mitigation to significant traffic impacts], then each project developer will be responsible for the pro-rata fair-share of these improvements as mitigation...." [Draft Program Environmental Impact Report, pages 2-158, 2-160, 3-16, and 3-20]

In the County's comments [Attachment 5], Senior Planner Robert Schubert, requested that "an alternative to collection of the County Traffic Impact Fee (TIF) should be identified to assure that appropriate mitigation is attained in the event that the County TIF is not implemented before building permits are issued to the developer."

Staff recommends a condition of approval that would require the City to meet with representatives of the County to discuss and mitigate the impacts of the development of the Salinas-Ag Industrial Center on County roads. [The recommended condition is contained in Attachment 4, the draft Annexation Resolution.]

6. Financing of Public Services

The City commissioned the consulting firm of Applied Development Economics to prepare a "Public Services Plan & Fiscal Impact Analysis" which was included within the proposal to LAFCO. This Plan projects that the costs of providing public services for the Salinas-Ag Industrial Center would be about \$793,000 per year in constant 2008 dollars. The Center is also projected to generate approximately \$2.1 million annually in tax and fee revenue, excluding entitlement fees, building permits, and Measure V funds.⁴ The net fiscal impact of the development would therefore be approximately \$1.3 million a year.

7. Employment Opportunities

The City-commissioned "Public Services Plan & Fiscal Impact Analysis" estimates that the project will generate about 4,100 jobs when fully developed. The Plan further estimates that this will increase the ratio of jobs to housing units from 1.15 to 1.25 jobs per housing unit. This ratio should be compared to a State benchmark that every community should have a 1.5 jobs per housing unit ratio. Theoretically, this ratio means that each resident in a community should be able to find a job in their community, thereby reducing commuting and air quality impacts and other environmental degradation as a result of residential and commercial sprawl. The jobs/housing ratio for Monterey County was estimated at 1.19 in the year 2000.

8. Impact on Special District Boundaries

The boundaries of three special districts are directly affected by this application: two would have the Annexation Area detached from their boundaries, and the other would annex the proposed area along with the City.

The Monterey County Regional Fire Protection District⁵ is predominantly rural and agricultural in nature, with the population clustered adjacent to the City of Salinas. In LAFCO's 2005 Municipal Services Report, the District's concern over the loss of property tax dollars caused by detachments was noted. In 2008, the City and County cooperatively worked with the District and included a section in the

⁴ Measure V tax revenues would increase this revenue amount by approximately \$106,000, although Measure V is currently scheduled to sunset in 2016.

⁵ Formerly known as the Salinas Rural Fire Protection District.

City/County Tax Sharing Agreement that provided a base level of continuing tax revenues to the District. The District has no objections to the current proposal before the Commission.

The proposal would also involve a detachment from the Monterey County Resource Conservation District. The mission of the Resource Conservation District of Monterey County (RCD) is to conserve and improve our natural resources, integrating the demand for environmental quality with the needs of agricultural and urban users. At a March 18, 2010 Board of Directors meeting, the Resource Conservation District voted to request that the Commission not require the detachment of the proposed annexation area from the District. [A copy of the request will be forwarded to the Commission once it is available.] Staff recommends that the Commission agree to this request and not require detachment. This is discussed further under the section of this Report relating to "Salinas-Ag Industrial Center Sphere of Influence / Annexation Issues."

Annexation to the City of Salinas would also require annexation to the Monterey Regional County Sanitation District, which is a dependent district of the Monterey Regional Water Pollution Control Agency. The Agency is dedicated to "meeting the wastewater and reclamation needs of our member entities while protecting the environment." The City of Salinas is a signatory to a joint powers agreement through which city residents are served by the MRWPCA.

Environmental Determination

In compliance with the California Environmental Quality Act (CEQA), the Salinas City Council certified the Final Program Environmental Impact Report for the Salinas-Ag Industrial Center on January 19, 2010. Future projects proposed within the Plan Area that are consistent with the Specific Plan development densities may not require further environmental review. City staff will make a determination about the need for and scope of further environmental review for individual projects at the time individual project applications are submitted.

In certifying the Environmental Impact Report the City Council adopted a statement of overriding considerations for the following significant and unavoidable project-level and cumulative impacts:

- Direct Loss of Prime Farmland;
- Cumulative Impact on Prime Farmland;
- Contribution to Long-Term Operational (Regional) Criteria Air Pollutants;
- Cumulatively Substantial Increase in Green House Gas ("GHG") Emissions That Contribute to Climate Change;
- Project-level and Cumulative Transportation Impacts (to specific intersections, interchanges, or roadway segments), and
- Noise.

In approving the Salinas-Ag Industrial Center, the Salinas City Council determined that, in its judgment, the Project's benefits outweigh its unavoidable significant effects for the following reasons:

- The project will support agriculture in the region;
- The project will create employment opportunities for local residents;
- The project will help improve the City's jobs to housing balance, and
- The project will generate sales and property taxes for the City and other local governments.

The LAFCO Sphere of Influence and Annexation application was included within the scope of the Program Environmental Impact Report. In order to approve the City's application the Formation Commission would likewise need to adopt a statement of overriding considerations for the identified significant and unavoidable impacts. This statement would allow the Commission to approve the City's proposal even though it would cause significant and unavoidable environmental impacts. State CEQA regulations specifically states that:

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against the unavoidable environmental risks when determining whether to approve the project. If the specific ... benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered 'acceptable.' ... The statement of overriding consideration shall be supported by substantial evidence in the record. [CEQA Regulations Section 15093(a) and (b)]

Attachment 2 to this Executive Officer's Report contains a draft Resolution making a statement of overriding considerations.

Public Agency Referrals and Public Noticing

LAFCO referred the proposal to public agencies for review and comment on January 26, 2010. [Their comments are outlined in the next section of this Executive Officer's Report.] The application was scheduled and legally noticed for a March 29, 2010 hearing in the Salinas Californian, on March 6, 2010. Notice of the hearing was also posted on the LAFCO website and at the County Government Center and LAFCO office, and mailed to all known interested agencies, organizations and individuals. LAFCO, therefore, has fully complied with all requirements and procedures for public agency referrals and public noticing.

Agency and Interested Party Comments

LAFCO received three comments in response to the proposal's referral to affected public agencies and interested parties. The complete letters are attached at Attachment 5. Brief LAFCO staff responses to the comments are shown in brackets.

- a. Monterey Bay Unified Air Pollution Control District (February 3, 2010: Jean Getchell)
 - The Air District stated that it has no comments on the project. [No response needed.]

- b. Monterey County Resource Management Agency: compiled comments from the Public Works, Planning and Parks Departments (February 19, 2010: Robert Schubert)

General:

- "The County has no desire to prevent or impact the timely processing of this application. To the extent areas of disagreement with the City are noted, the County and City will continue discussions toward a mutual resolution of those matters." *[No response needed.]*

Public Works Department:

- Comments 1.a. and 1.b.: Changes were suggested to the LAFCO proposal description. *[The City's engineer reviewed these comments and made appropriate changes.]*
- Comments 2.a. and 2.c.: Modifications were suggested to the discussion of traffic impacts on County Roads and the maintenance impact on Harris Road and Abbott Street due to the increase in heavy truck traffic. *[These issues were discussed in the Environmental Impact Report. Changing the wording of the LAFCO proposal will not change the proposed development.]*
- Comment 2.b.: It was stated that "An alternative to collection of the County Traffic Impact Fee (TIF) should be identified to assure that appropriate mitigation is attained in the event that the County TIF is not implemented before building permits are issued to the developer." *[Staff recommends a condition of approval that would require the City to meet with representatives of the County to discuss and mitigate the impacts of the development of the Salinas-Ag Industrial Center on County roads. The recommended condition is contained in Attachment 4, the draft Annexation Resolution.]*
- Comments 3.a. and 3.b.: Discussion of a County Ad Hoc Traffic and Road Maintenance fee was proposed for inclusion within the July 8, 2009 "Public Services Plan & Fiscal Impact Analysis." *[Proposed changes to this document will not substantially change the findings of fiscal feasibility. Please see discussion of the substance of this issue within Comment 2.b. (above)]*
- Comment 4.a.: Expanding the Sphere of Influence map (Exhibit F) was suggested to include the portion of Abbott Street along the eastern project property line. *[A change to the map is not needed because the City's Sphere of Influence already includes this area.]*
- Comment 5.a.: It was stated that the Sphere of Influence map shown in Exhibit N is accurate. *[No response needed.]*
- Comments 6.a: Suggestions for change were suggested to the Annexation Property Description in Exhibit N. *[The City's engineer reviewed these comments and made appropriate changes.]*

Planning Department:

- Commented that the April 8, 2008 Master Tax Transfer Agreement between the City and the County applies to this proposal. *[No response needed.]*

- Commented that the City-County consultation process required by Government Code Section 56425 has been met. *[No response needed.]*

Parks Department:

- It is suggested that a bicycle path be located within the agricultural buffer zones. *[Bicycle lanes are incorporated into the Specific Plan. The suggestion that bicycle paths be located in the buffer zones has been forwarded to the City.]*
- c. Resource Conservation District of Monterey County (March 18, 2010 action of the Resource Conservation District Board of Directors)
- Requested that the annexation to the City not require detachment from the District. *[As requested by the District, LAFCO Staff recommends that the Commission not require detachment from the RCD. This item is discussed in some detail in the section on "Salinas-Ag Industrial Center Sphere of Influence / Annexation Issues" above.]*

Waiver of Conducting Authority Protest Proceedings

The City has stated that the property contains no residentially-occupied structures. The affected territory therefore meets the definition of "uninhabited territory" as defined by Government Code Section 56046. The land owner has consented in writing to the application and the waiver of the protest proceedings. Provided that no subject agency has submitted written opposition to a waiver of protest proceedings the Commission can approve the wording contained in the draft resolution [Attachment 4] waiving protest proceedings. [Government Code Section 56663(c)]

Reconsideration Period

Should the Commission approve this proposal, any person or affected agency can file a request for reconsideration [Government Code Section 56895]. The request for reconsideration must be filed within 30 days of the Commission's action to approve. A request for reconsideration must show that new information has come forward or the Commission neglected to consider existing information that could affect the decision to approve. The Executive Officer must then schedule this request for the next available Commission meeting, but must allow for a 21-day public notice of this hearing.

Fees

LAFCO collected a deposit of \$7,950 toward the cost of processing this application. In accord with the current LAFCO Fee Schedule LAFCO will charge the full cost of the processing. Any costs above the deposit will be required to be paid prior to the issuance of the Certificate of Completion pursuant to a condition of approval of the annexation.

Conclusion

The City has undertaken detailed studies that provide a reasonable basis for LAFCO support of the proposal. The proposal is also consistent with agreements reached through the City-County Consultation process. State law requires that LAFCO give "great weight" to those agreements to the extent that the agreements are consistent

with Commission policies. Accordingly, staff recommends approval of the Salinas-Ag Industrial Center proposal.

ALTERNATIVE ACTIONS:

The Commission may:

- Approve a smaller Sphere of Influence;
- Approve a smaller area for annexation to the City and Monterey Regional County Sanitation District;
- Approve the proposal that the annexation area be detached from the Resource Conservation District, and/or
- Approve the Sphere of Influence or annexation with additional or different conditions of approval.

Any major change in the attached draft resolutions would require a continuation for staff to craft the appropriate findings.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachments:

1. Area and Location Maps:
 - a. Plan Area Vicinity
 - b. Aerial Photograph
 - c. Plan Area Parcels and Boundary
 - d. Plan Area Soils
 - e. Plan Area Agricultural Buffer Locations
 - f. Agricultural Conservation Easement Location
2. Draft Resolution of the Local Agency Formation Commission of Monterey County Adopting Findings of Fact and a Statement of Overriding Considerations for the Salinas-Ag Industrial Center ("Uni-Kool") Sphere of Influence Amendment and Annexation
3. Draft Resolution of the Local Agency Formation Commission of Monterey County Making Determinations and Approving an Amendment to Update the Spheres of Influence of the City of Salinas and the Monterey Regional County Sanitation District.
4. Draft Resolution of the Local Agency Formation Commission of Monterey County Making Determinations and Approving an Annexation of approximately 252.41 Acres to the City of Salinas and the Monterey Regional County Sanitation District, and Detachment from the Monterey County Regional Fire Protection District.
5. Letters from interested parties and agencies following the January 26, 2010 circulation of the proposal.

6. Salinas-Ag Industrial Center Environmental Documents *[electronic attachment only]*
 - a. Draft Program Environmental Impact Report, July 8, 2009
 - b. Draft Program Environmental Impact Report, July 8, 2009, Appendices
 - c. Final Program Environmental Impact Report, November 29, 2009

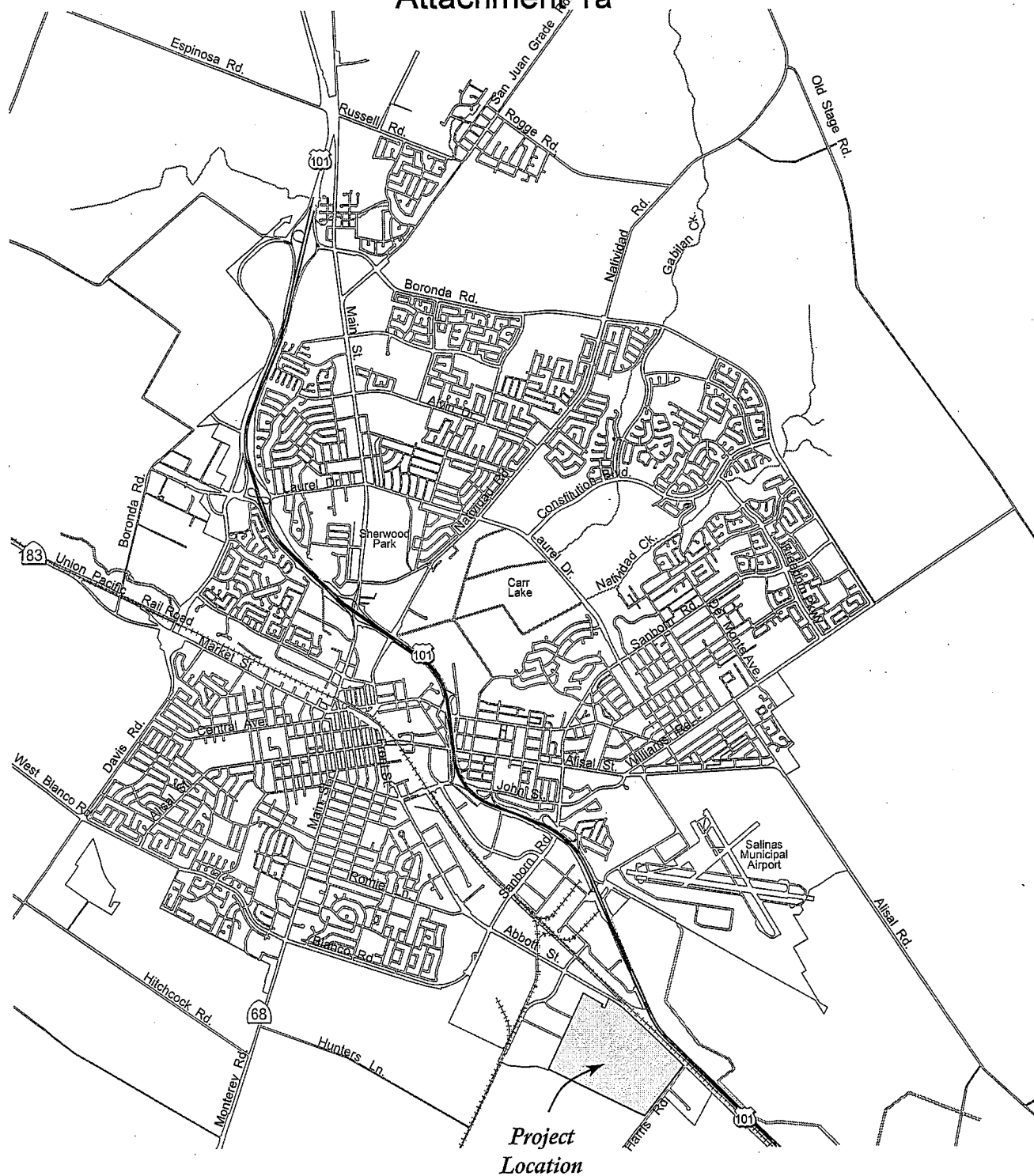
cc: Artie Fields, City Manager, City of Salinas
Alan Stumpf, Community Development Director, City of Salinas
Courtney R. Grossman, Planning Manager, City of Salinas
Christopher A. Callihan, Sr. Deputy City Attorney, City of Salinas
Keith Israel, Monterey Regional Water Pollution Control Agency
Paul Robins, Resource Conservation District of Monterey County
Chief Michael Urquides, Monterey County Regional Fire Protection District
Wayne Tanda, County of Monterey Resource Management Agency
Jean Getchell, Monterey Bay Unified Air Pollution Control District
Larry Seeman, Consultant to the City of Salinas
Ron Sissem, EMC Consulting Group

Attachment 1

Area and Location Maps:

- a. Plan Area Vicinity
- b. Aerial Photograph
- c. Plan Area Parcels and Boundary
- d. Plan Area Soils
- e. Plan Area Agricultural Buffer Locations
- f. Agricultural Conservation Easement Location

Attachment 1a



0 2,500 feet

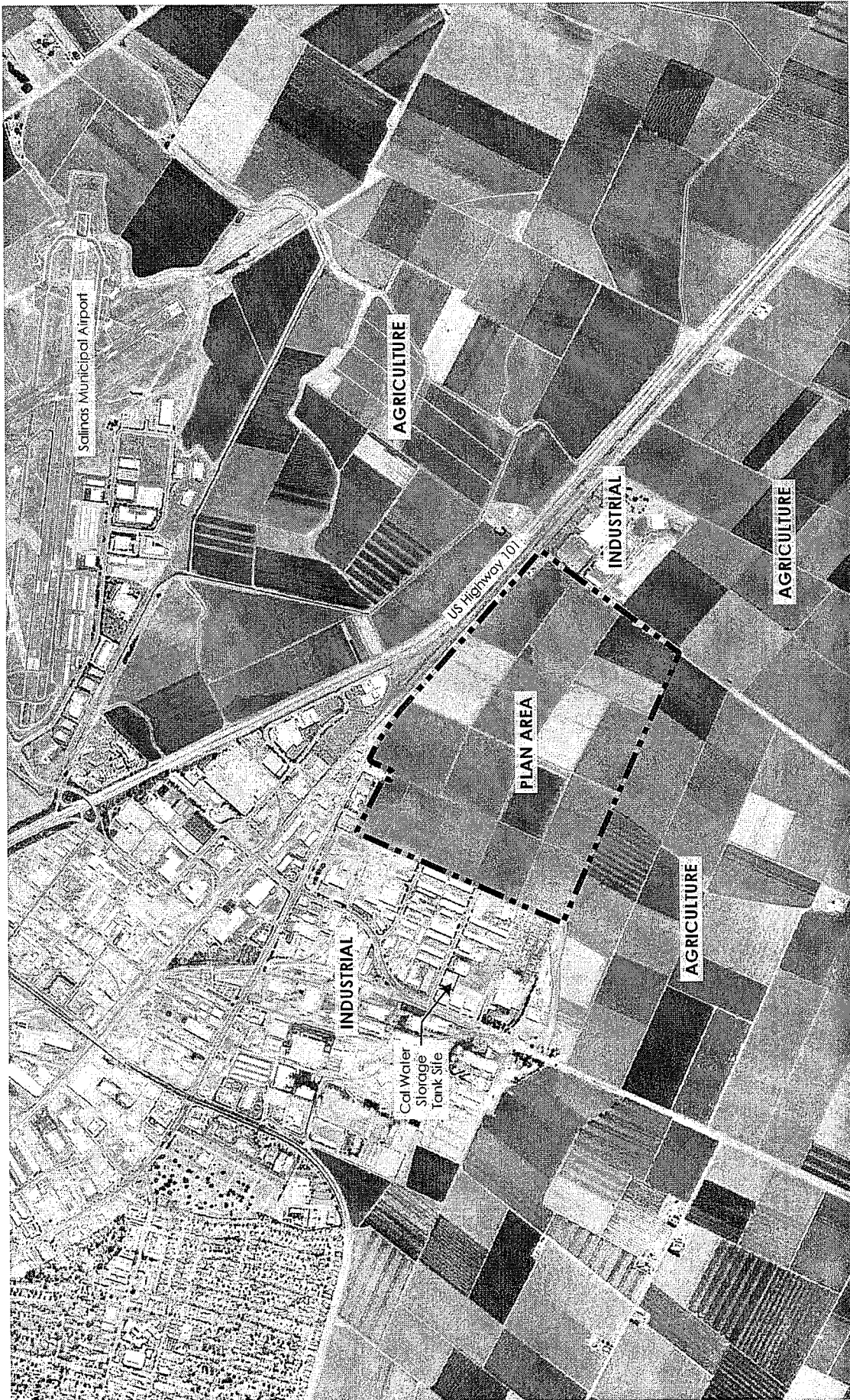
Source: EMC Planning Group Inc. 2009, Salinas General Plan 2002

Figure 2

Plan Area Vicinity

Salinas Ag-Industrial Center Program EIR





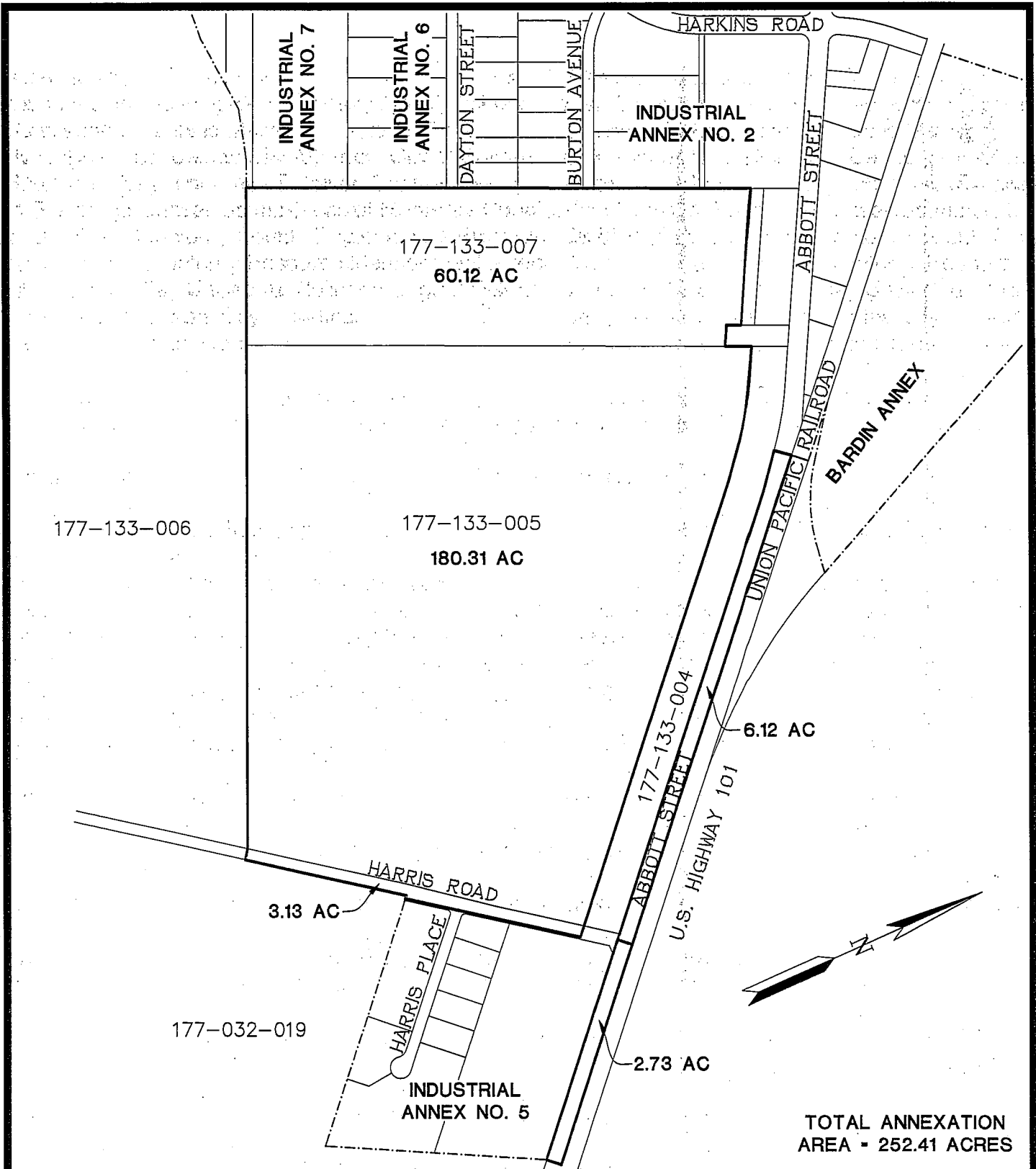
Source: EMC Planning Group Inc. 2009; Google Earth 2009

Figure 4

Aerial Photograph

Salinas Ag-Industrial Center Program EIR

Attachment 1c



**SALINAS AG-INDUSTRIAL
CENTER**

ANNEXATION AREA EXHIBIT

SALINAS, CALIFORNIA

RJA

RUGGERI-JENSEN-AZAR

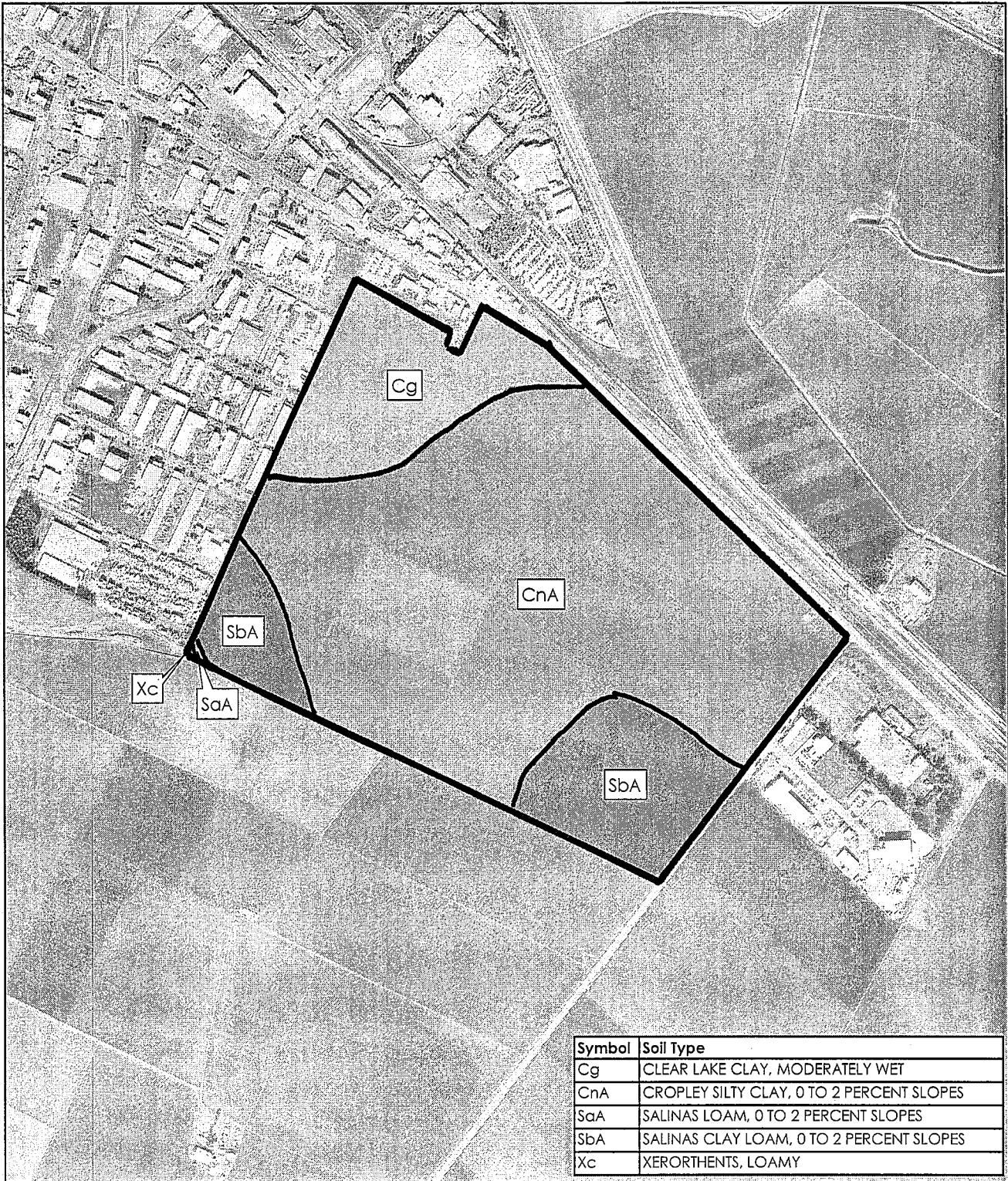
ENGINEERS • PLANNERS • SURVEYORS

8085 CAMINO ARROYO GILROY, CA 95020
PHONE: (408) 848-0300 FAX: (408) 848-0302

SCALE:
1"=750'

DATE:
3/9/10

JOB NO.:
072067



0 1,000 feet

Legend



Plan Area Boundary



Source: EMC Planning Group Inc. 2008, Monterey County GIS 2006,
Soils SSURGO Data 1999, Orthophotos 1999

Figure 11

Plan Area Soils

Salinas Ag-Industrial Center Program EIR

Project Site Soils

The project site contains several soil types, presented and described in the Soil Survey of Monterey County, California (Soil Conservation Service 1978). Understanding the soils at the project site provides insight as to the quality of each soil for agricultural production. The soil types found within the Plan Area are described below and illustrated in Figure 11; Plan Area Soils.

Cropley Silty Clay, 0-2 Percent Slopes. Approximately 69 percent of the project site is Cropley silty clay, 0-2 percent slopes. Cropley silty clay, 0-2 percent slopes, is found on alluvial fans, flood plains, and in basins. Runoff is slow and the erosion hazard is minimal. Permeability is slow, and the available water capacity is eight to ten inches. Roots penetrate to a depth of more than 60 inches. This soil has a high shrink-swell limitation that causes severe hazards for building sites, roads, and structures. This soil is mostly used for irrigated row and field crops, especially celery and lettuce. It is considered a Class II soil under the LCC Index.

Salinas Clay Loam, 0-2 Percent Slopes. Approximately 16 percent of the project site is comprised of Salinas clay loam, 0-2 percent slopes. Salinas loam, 0-2 percent slopes is found on low terraces. Runoff is slow, and the erosion hazard is minimal. Permeability is moderately slow, and roots penetrate to a depth of more than 60 inches. This soil is used for irrigated field and row crops, dry land grain, or pasture. It is considered a Class I soil under the LCC Index.

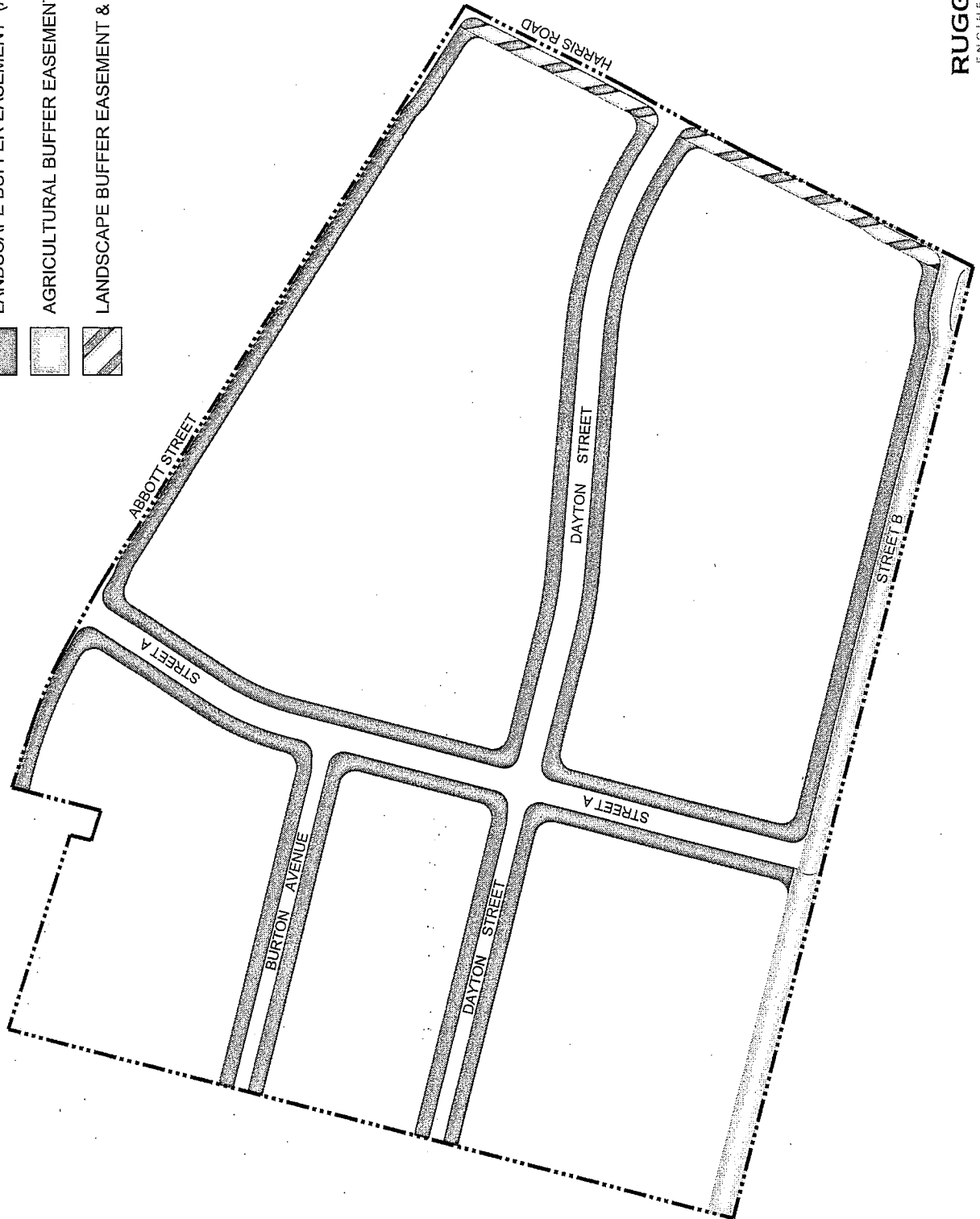
Clear Lake Clay, Moderately Wet. Approximately 14 percent of the project site is Clear lake clay, moderately wet. Clear lake clay, moderately wet, is found on flood plains and in basins. Runoff is very slow, and there is no erosion hazard. Roots can penetrate to a depth of more than 60 inches. Permeability is slow and the water table is at a depth of 18 to 36 inches unless the soil is drained. This soil is mostly used for intensively irrigated row crops, principally celery, lettuce, broccoli, and cauliflower. It is considered a Class II soil under the LCC Index.

Xerothorents, Loamy. Less than one percent of the project site is Xerothorents, loamy. Xerothorents, loamy, are found on bluffs and banks along major rivers, on escarpments of terraces, on fans or alluvial plains, and along drainage ways. Runoff and the erosion hazard vary considerably over very short distances. Permeability is moderately slow. Roots can penetrate to a depth of more than 60 inches. This land is used for annual range or is left idle. It is considered a Class VI soil under the LCC Index.

Salinas Loam, 0 to 2 Percent Slopes. Less than one percent of the project site is Salinas Loam, 0-2 percent slopes. This soil is found on river terraces. Runoff is slow, and the erosion hazard is slight. The available water capacity is 10 to 12 inches. This soil type is used mostly for irrigated row and field crops in the Salinas Valley. It is considered a Class I soil under the LCC Index.

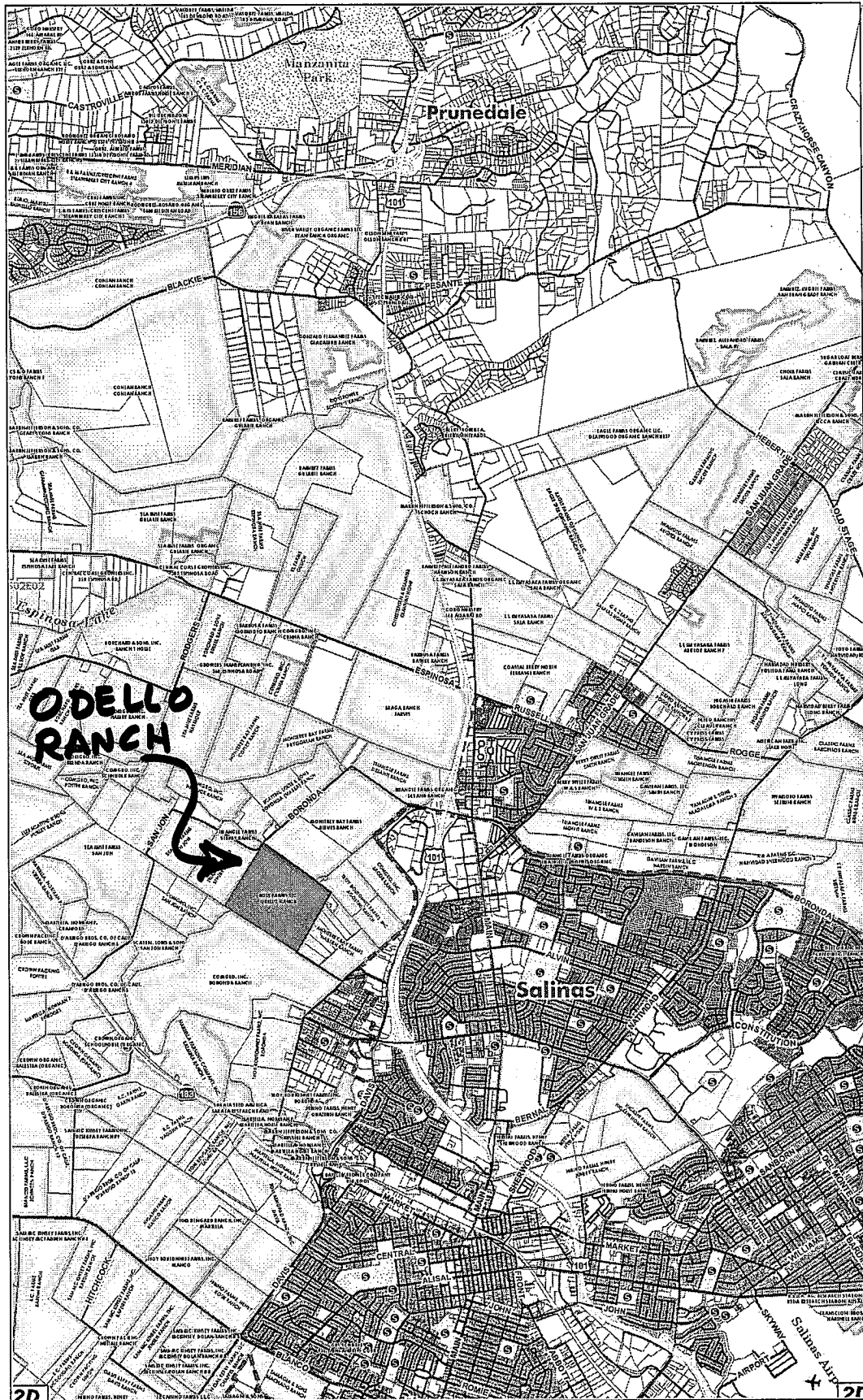
LANDSCAPE & AGRICULTURAL BUFFER EASEMENT LOCATION MAP

- LANDSCAPE BUFFER EASEMENT (ALL PUBLIC STREETS)
- AGRICULTURAL BUFFER EASEMENT
- LANDSCAPE BUFFER EASEMENT & AGRICULTURAL BUFFER EASEMENT



Attachment 1e

Attachment 1f



Not to Scale



Odello Ranch (Conservation Easement Location)

Source: EMC Planning Group 2010
Brian Finegan, Attorney at Law 2010



Agricultural Conservation Easement Location

Salinas-Ag Industrial Center

1-7

Attachment 3

**Draft Resolution
of the Local Agency Formation Commission
of Monterey County
Making Determinations and Approving an Amendment
to Update the Spheres of Influence
of the City of Salinas
and the Monterey Regional County Sanitation District.**

THE LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY

RESOLUTION NO. 10-__

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY MAKING DETERMINATIONS
AND APPROVING THE SALINAS-AG INDUSTRIAL CENTER ("UNI-KOOL")
SPHERE OF INFLUENCE AMENDMENT
OF APPROXIMATELY 246.29 ACRES TO THE CITY OF SALINAS
AND THE MONTEREY REGIONAL COUNTY SANITATION DISTRICT.
(LAFCO FILE NO. 10-02)**

RESOLVED, by the Local Agency Formation Commission of the County of Monterey, State of California, that

WHEREAS, an application to update the Sphere of Influence of the City of Salinas and the Monterey Regional County Sanitation District was heretofore filed and accepted for filing by the Executive Officer of this Local Agency Formation Commission on February 26, 2010 pursuant to Title 6, Division 1, commencing with Section 56000, et seq. of the Government Code; and

WHEREAS, representatives from the City and the County met to discuss the proposed new boundaries of the sphere and reached agreement on development standards and planning and zoning requirements within the sphere to ensure that development within the sphere occurs in a manner that reflects the concerns of the affected city and is accomplished in a manner that promotes the logical and orderly development of areas within the sphere; and

WHEREAS, section 56425(b) of the Government Code states "that the Commission shall give great weight to the agreement to the extent that it is consistent with Commission policies in its final determination of the City Sphere;" and

WHEREAS, prior to acting upon the City's application the Formation Commission heard from interested parties, considered the proposal and the report of the Executive Officer and considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56425(e), certain other applicable provisions of the Government Code, and this Formation Commission's policies; and

WHEREAS, the Formation Commission, pursuant to Government Code Section 56428(b), set March 29, 2010 as the hearing date on the update of the Spheres of Influence of the City of Salinas and the Monterey Regional County Sanitation District and gave the required notice of hearing; and

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in said notice of hearing and in any order or orders continuing such hearing; and

WHEREAS, the Executive Officer has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the Commission has reviewed and considered all of the information contained in the Salinas-Ag Industrial Center Environmental Impact Report that was certified by the City Council of the City of Salinas on January 19, 2010, and

WHEREAS, the Environmental Impact Report identified various mitigation measures in the Condition Compliance and Mitigation Monitoring Reporting Plan which are designed to reduce project impacts to the extent feasible, all of which will be incorporated into the project and are enforceable by agencies other than LAFCO, and

WHEREAS, acting as a CEQA Responsible Agency, the Commission has approved a resolution adopting findings of fact and a statement of overriding considerations.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Monterey does HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. In determining the Sphere of Influence of the City of Salinas and the Monterey Regional County Sanitation District, the Commission, in accord with Section 56425(e) of the Government Code, has considered and prepared a written statement of its determinations with respect to each of the following:

- a. *The present and planned land uses in the area, including agricultural and open-space lands.*

According to the Environmental Impact Report the parcels proposed for annexation are prime farmland which are currently, and have historically been, in active agricultural use. Lettuce, cauliflower, and broccoli have

been the primary cultivated crops. Two small residences and a farm equipment storage building are located near the Harris Road/Abbott Street intersection. An above-ground diesel fuel tank is located adjacent to the homes and farm equipment storage area. The proposed Sphere of Influence area is not contractually restricted through the State Farm Security Act Program or the Williamson Act program.

The annexation area is classified in the Salinas-Ag Industrial Center Specific Plan for Agricultural-Industrial uses.¹ Allowed uses include agricultural processing, agricultural processing related uses, and/or uses that support agricultural related industries. The Specific Plan includes a detailed description of uses that are permitted either outright or with Site Plan Review approval or Conditional Use Approval. Typical businesses in these allowed uses will have office space for employees and visitors, shop buildings, supply buildings and/or a supply yards, warehousing and fabrication or cooling facilities. Overall it is estimated that the development of the entire Salinas-Ag Industrial Center will enable the construction of approximately 4.3 million square feet of industrial uses and employ 4,100 workers.

- b. The present and probable need for public facilities and services in the area and*
- c. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

The municipal service review conducted by LAFCO of the City of Salinas and the Monterey Regional County Sanitation District do not indicate any organizational or other problems that would keep the two governmental bodies from providing the proposed services.

The need for public facilities and services in the proposed Sphere of Influence amendment area was thoroughly analyzed within the "Public Services Plan & Fiscal Impact Analysis" prepared by Applied Development Economics (July 8, 2009). This Plan projects that the costs of providing public services for the Salinas-Ag Industrial Center would be about \$793,000 per year in constant 2008 dollars. The Center is also projected to generate approximately \$2.1 million annually in tax and fee revenue, excluding entitlement fees, building permits, and Measure V funds.² The

¹ The approximately 17 acres of the Salinas-Ag Industrial Center that is within APN 177-133-004 is currently within the City of Salinas. This long parcel, which is the frontage of Abbott Street, is designated "General Industrial" and may include some non-agriculturally related uses.

² Measure V tax revenues would increase this revenue amount by approximately \$106,000, although Measure V is currently scheduled to sunset in 2016.

net fiscal impact of the development would therefore be approximately \$1.3 million a year.

- d. *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.*

There are no social or economic communities of interest that will be affected by the proposed update of the City of Salinas' Sphere of Influence.

Section 2. *Comments of affected local agencies.* Public agencies contacted through the LAFCO referral process at the end of January 2010 contributed comments which were reviewed in the Executive Officer's Report for the proposal and considered by the Commission in the conditioning and approval of this proposal. Comments were received from the following agencies:

- a. Monterey Bay Unified Air Pollution Control District
- b. Monterey County Resource Management Agency/Planning Department (incorporating comments from the County Planning, Public Works and Parks Departments)
- c. Resource Conservation District of Monterey County

Section 3. Said proposal is approved subject to the City's payment of all fees incurred in the processing of the application consistent with the LAFCO fee schedule.

Section 4. The City of Salinas (applicant) agrees as a condition of the approval of this application to defend at its sole expense any action brought against LAFCO, the Commission and its staff, because of the approval of this application. The applicant will reimburse LAFCO for any court costs and attorneys' fees which may be required by a court to pay as a result of such action. LAFCO may, at its sole discretion, participate in the defense of any such action; but such participation shall not relieve applicant of his obligations under this condition. The obligation on the part of the applicant to indemnify LAFCO is effective upon the adoption of this resolution and does not require any further action.

Section 5. The boundaries of the territory proposed to be added to the Sphere of Influence of the City of Salinas and Monterey Regional County Sanitation District, are hereby approved as described in Exhibit "A" attached hereto and made a part hereof.

Section 6. The Commission has hereby reviewed and updated the Sphere of Influence of the City of Salinas and Monterey Regional County Sanitation District as required by Government Code 56425(g). The current

proposal for a Sphere of Influence update is compatible with the current and future needs of the Salinas community.

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this 29th day of March 2010, by the following vote:

AYES:

NOES:

ABSTAIN:

Simón Salinas, Chair
Local Agency Formation Commission of Monterey County

ATTEST: I certify that this resolution is a true and complete record of said Commission's actions.

Witness my hand this ____ day of March, 2010

By: _____
Kate McKenna, AICP, Executive Officer

EXHIBIT A

COUNTY OF MONTEREY
ASSESSOR'S MAP
BOOK 177 PAGE 13

TAX CODE AREA
153-01

THIS MAP IS INTENDED TO BE USED FOR
PROPERTY TAX ASSESSMENT PURPOSES ONLY

3-81

2-81

2-82

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Attachment 4

Draft Resolution
of the Local Agency Formation Commission
of Monterey County
Making Determinations and Approving
an Annexation of approximately 252.41 Acres
to the City of Salinas
and the Monterey Regional County Sanitation District,
and Detachment
from the Monterey County Regional Fire Protection District.

THE LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY

RESOLUTION NO. 10-__

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY MAKING DETERMINATIONS
AND APPROVING AN ANNEXATION OF APPROXIMATELY 252.41 ACRES
TO THE CITY OF SALINAS
AND THE MONTEREY REGIONAL COUNTY SANITATION DISTRICT,
AND DETACHMENT FROM THE MONTEREY COUNTY REGIONAL FIRE
PROTECTION DISTRICT (LAFCO FILE NO. 10-02)**

RESOLVED, by the Local Agency Formation Commission of the County of Monterey, State of California, that

WHEREAS, an application to annex approximately 252.41 acres the City of Salinas and the Monterey Regional County Sanitation District, and detach this area from the Monterey County Regional Fire Protection District¹ and the Resource Conservation District of Monterey County, was heretofore filed and accepted for filing by the Executive Officer of this Local Agency Formation Commission on February 26, 2010 pursuant to Title 6, Division 1, commencing with Section 56000, et seq. of the Government Code; and

WHEREAS, prior to acting upon the City's application the Formation Commission heard from interested parties, considered the proposal and the report of the Executive Officer and considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code Section 56668, certain other applicable provisions of the Government Code, and this Formation Commission's policies; and

WHEREAS, the Formation Commission, pursuant to Government Code Section 56658, set March 29, 2010 as the hearing date on the annexation to the City of Salinas and gave the required notice of hearing; and

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in said notice of hearing and in any order or orders continuing such hearing; and

WHEREAS, the Executive Officer has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

¹ Formerly known as the Salinas Rural Fire Protection District

WHEREAS, the Commission has reviewed and considered all of the information contained in the Salinas-Ag Industrial Center Environmental Impact Report that was certified by the City Council of the City of Salinas on January 19, 2010, and

WHEREAS, the Environmental Impact Reports identified various mitigation measures in the Condition Compliance and Mitigation Monitoring Reporting Plans which are designed to reduce project impacts to the extent feasible, all of which will be incorporated into the project and are enforceable by agencies other than LAFCO, and

WHEREAS, acting as a CEQA Responsible Agency, the Commission has approved a resolution adopting findings of fact and a statement of overriding considerations.

NOW, THEREFORE, the Local Agency Formation Commission of the County of Monterey does HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. In reviewing the proposal the Commission, in accord with Section 56668 of the Government Code, has considered each of the following:

a. Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area; and in adjacent incorporated and unincorporated areas, during the next 10 years (Gov. Code § 56668(a).)

The City-commissioned "Public Services Plan & Fiscal Impact Analysis" estimates that the project will generate about 4,100 jobs when fully developed. The Plan further estimates that this will increase the ratio of jobs to housing units from 1.15 to 1.25 jobs per housing unit. This ratio should be compared to a State benchmark that every community should have a 1.5 jobs per housing unit ratio. Theoretically, this ratio means that each resident in a community should be able to find a job in their community, thereby reducing commuting and air quality impacts and other environmental degradation as a result of residential and commercial sprawl. The jobs/housing ratio for Monterey County was estimated at 1.19 in the year 2000.

According to the Environmental Impact Report the parcels proposed for annexation are prime farmland which are currently, and have historically been, in active agricultural use. Lettuce, cauliflower, and broccoli have been the primary cultivated crops. Two small residences and a farm equipment storage building are located near the Harris Road/Abbott Street intersection. An above-ground diesel fuel tank is located adjacent to the homes and farm equipment storage area. The proposed Sphere of Influence area is not contractually restricted through the State Farm Security Act Program or the Williamson Act program.

Planned growth within the area is consistent with a General Plan amendment and Specific Plan that was approved by the City Council on January 19, 2010. The per capita assessed valuation was taken into account in the recently approved City-County Tax Sharing Agreement and has been used in projecting adequate funding to support urban services. Topography, natural boundaries, and drainage basins were analyzed fully within the Environmental Impact Report. The annexation area is currently bordered by the City on two sides and a portion of a third side. Public services can be efficiently provided at this location.

b. The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed annexation ... and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. (Gov. Code §56668(b).)

The need for public facilities and services in the proposed Sphere of Influence amendment area was thoroughly analyzed within the "Public Services Plan & Fiscal Impact Analysis" prepared by Applied Development Economics (July 8, 2009). This Plan projects that the costs of providing public services for the Salinas-Ag Industrial Center would be about \$793,000 per year in constant 2008 dollars. The Center is also projected to generate approximately \$2.1 million annually in tax and fee revenue, excluding entitlement fees, building permits, and Measure V funds.² The net fiscal impact of the development would therefore be approximately \$1.3 million a year.

All infrastructure costs needed to support the Annexation Area would be paid directly by the Salinas-Ag Industrial Center.

c. The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county. (Gov. Code § 56668(c).)

The effect of the proposed action would be the development of an agriculturally-oriented industrial center within the Annexation Area. This action has been thoroughly studied in the Environmental Impact Report for the Salinas-Ag Industrial Center.

d. The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377. (Gov. Code § 56668(d).)

The proposal is consistent with adopted Commission policies on planned, orderly, efficient patterns of urban development and the policies set forth in Section 56377. The proposed development will concentrate agricultural related industrial activities within the City limits but adjacent to the agricultural fields. The location of these activities within City limits will maximize the ability of

² Measure V tax revenues would increase this revenue amount by approximately \$106,000, although Measure V is currently scheduled to sunset in 2016.

workers to use public transportation, and minimize the cost of extending public utilities. The location of these activities within the Salinas Valley will strengthen the County's agricultural economy:

e. *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined in Section 56106. (Gov. Code § 56668(e).)*

The proposal includes agricultural buffer easements, an agricultural conservation easement and fee title dedication of agricultural land to the Ag Land Trust, and is designed to strengthen the County's agricultural industry.

Buffers: The agricultural buffers substantially reduce potential land use conflicts between proposed industrial uses and on-going adjacent agricultural operations. The Specific Plan includes a 70-foot wide agricultural buffer easement along the 3784-foot long southwest Plan Area boundary. Along the southernmost two-thirds of this boundary the buffer easement is a part of an 84-foot street right-of-way, which is also paralleled with a 22 foot vegetated swale; for this length the effective buffer measures 106 feet.

The other portion of the proposed development that is adjacent to agricultural fields is a street frontage of approximately 850 feet along Harris Road that is southeast of the existing industrial development which extends from Abbott Street. Along this area the proposal calls for a 20-foot agricultural buffer easement, which along with the Harris Road right-of-way and 22-foot vegetated swale, combines for an 87-foot effective buffer now and a 116-foot effective buffer. The right-of-way is planned to expand from 65 to 94 feet, and once this does occur the effective buffer will be 116 feet. This planned expansion is not a part of this project.

Extension of utility infrastructure across these buffers is also prohibited, thereby substantially reducing the potential that the proposal could induce growth and conversion of adjacent agricultural lands to nonagricultural use through increased access to urban services and utilities.

Conservation Easements: Mitigation Measure AG-1 in the Mitigation Monitoring and Reporting Program requires the project applicant to dedicate agricultural conservation easements to partially mitigate the impact of farmland conversion. As described in the August 28, 2009 letter from Brian Finegan, the project applicant's representative, the project applicant will dedicate an agricultural conservation easement over the 197-acre Odello ranch that is currently in agricultural production. The ranch location is shown in Attachment 6 to this Report. The project applicant will also grant fee title of the ranch to the Ag Land Trust, thereby allowing the Ag Land Trust to collect rents from lease of the land that can be used to expand the Trust's agricultural land conservation activities. [The letter from Brian Finegan can be found on page 2-7 of the Final Program Environmental Impact Report which is in Attachment 7 to this Report.]

Support for Agriculture: The City has also stated that the proposal "supports the agricultural industry in Salinas Valley as a whole. It will provide valuable agricultural support services that are the underpinning of the agricultural industry. In this way, the proposal will directly enhance the economic viability of the entire agricultural sector. By improving the sector's economic viability, the

proposal will also indirectly reduce potential for further conversion of agricultural lands that might otherwise occur should owners of agricultural lands deem alternative uses to be more profitable."

f. *The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries. (Gov. Code § 56668(f).)*

In the context of urban development, the project boundary is definite and certain and consistent with assessment lines and ownership. The proposed annexation will allow an expansion of the existing urban boundaries of the City of Salinas in a rational manner. Two parcels of land, which are currently more than 50% surrounded by City land, would be annexed to the City. Roadway right-of-ways that are adjacent to these parcels, and other existing lands in the City limits, would also be annexed.

g. *A regional transportation plan adopted pursuant to Section 65080, and consistency with city or county general and specific plans. (Gov. Code § 56668(g).)*

The 2005 Monterey County Regional Transportation Plan is used as the basis for identifying and planning for needed transportation projects in Monterey County. Consistency with the Regional Transportation Plan is typically based on whether or not a proposed project could impede the implementation of any of the transportation projects listed in the Regional Transportation Plan. There are no projects in the Regional Transportation Plan proposed for the roadways located adjacent to the Plan Area (Harris Road and Abbott Street) with which improvements proposed under Plan Area build out would conflict.

TAMC has established a Regional Development Impact Fee Program in Monterey County. Developers of projects within the Plan Area will be required to pay the regional impact fee as mitigation for the incremental cumulative impact of their projects on the regional system.

The annexation proposal being considered by LAFCO was approved by the Salinas City Council on January 19, 2010 is a part of the Salinas-Ag Industrial Center proposal. Other portions of the proposal that were approved by the City Council were a General Plan amendment and a Specific Plan. All of these segments of the proposal were developed in tandem and are consistent with one another.

h. *The sphere of influence of any local agency, which may be applicable to the proposal being reviewed. (Gov. Code §§ 56375.5, 56668(h).)*

The proposal from the City includes an expansion of the Sphere of Influence of both the City of Salinas and the Monterey Regional County Sanitation District. The area will cease to be a part of the Spheres of Influence of the Monterey County Regional Fire Protection District and the Resource Conservation District of Monterey County following approval. No Sphere of Influence of any other local agency is applicable to the proposal being reviewed.

i. *The comments of any affected local agency or other public agency. (Gov. Code § 56668(i).)*

Public agencies contacted through the LAFCO referral process at the end of January 2010 contributed comments which were reviewed in the Executive Officer's Report for the proposal and considered by the Commission in the conditioning and approval of this proposal. Comments were received from the following agencies:

- a. Monterey Bay Unified Air Pollution Control District
- b. Monterey County Resource Management Agency/Planning Department (incorporating comments from the County Planning, Public Works and Parks Departments)
- c. Resource Conservation Agency of Monterey County

j. *The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change. (Gov. Code § 56668(j).)*

As outlined under section "b" above, the ability of the City of Salinas and the Monterey Regional Water Pollution Control Agency to provide the needed services to the proposed annexation area have been thoroughly reviewed and found to be adequate.

k. *Timely availability of water supplies adequate for projected needs as specified in Section 65352.5. (Gov. Code § 56668(k).)*

The availability of water for the proposed development was reviewed in the Environmental Impact Report. The environmental document relied heavily on the "Water Supply Assessment" prepared by the water provider, the California Water Service Company ("Cal Water"). The Water Supply Assessment was prepared pursuant to the requirements of SB 610 that an assessment be prepared and incorporated into the CEQA process for new development projects that meet certain size and intensity criteria.

Cal Water represents that it will have adequate water supplies to meet the projected Plan Area build-out in addition to those of its existing customers and 49 other anticipated future water users as identified by the City. Adequate water supplies was determined to exist for the 20 year period beginning in from 2008 under normal, single dry year and multiple dry year conditions.

l. *The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7. (Gov. Code § 56668(l).)*

The proposal will not affect the City or County's ability to achieve their respective fair shares of the regional housing need. The Salinas-Ag Industrial Center will, however, assist in improving the City of Salinas' current jobs/housing imbalance.

m. *Any information or comments from the landowner or owners, voters, or residents of the affected territory. (Gov. Code § 56668(m).)*

The only landowner within the affected area has signed a statement consenting to the inclusion of his property within the reorganization, and has agreed to a waiver of the protest proceedings. The affected area is officially an uninhabited territory. No other comments had been received from landowners, voters, or residents of the affected area at the time this resolution was prepared. The Commission has held a public hearing to hear additional comments.

n. *Any information relating to existing land use designations. (Gov. Code § 56668(n).)*

The existing 1982 Monterey County General Plan designates the proposed annexation area as Farmlands with a 40-Acre Minimum. The County zoning of this parcel as F/40 is consistent with this General Plan designation. On January 19, 2010, in anticipation of the proposed annexation, the City of Salinas approved a General Plan amendment changing the land use designation to General Industrial. At that time the City also approved a Specific Plan and rezoning. The Specific Plan was designed to support agricultural-industrial expansion, encourage diversity within the agricultural-industrial cluster, and provide the flexibility to adapt to changing market conditions. The rezoning designated the proposed annexation area (APN 177-133-005 and 177-133-007) for inclusion within the Industrial General (IG) zoning district.

The annexation area is classified in the Specific Plan for Agricultural-Industrial uses. Allowed uses include agricultural processing, agricultural processing related uses, and/or uses that support agricultural related industries.³ The Specific Plan includes a detailed description of uses that are permitted either outright or with Site Plan Review approval or Conditional Use Approval. Typical businesses in these allowed uses will have office space for employees and visitors, shop buildings, supply buildings and/or a supply yards, warehousing and fabrication or cooling facilities. Overall it is estimated that the development of the entire Salinas-Ag Industrial Center will enable the construction of approximately 4.3 million square feet of industrial uses and employ 4,100 workers.

o. *The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. (Gov. Code § 56668(o).)*

The proposal should not strictly have an impact on economic justice. It should be noted, however, that the Salinas-Ag Industrial Center will be providing jobs in a City that is estimated to be 72% Latino or Hispanic and where the median family income is substantially below the County average.

Section 2. *The allocation of property tax revenues. (Revenue and*

³ The approximately 17 acres of the Salinas-Ag Industrial Center that is within APN 177-133-004 is currently within the City of Salinas. This long parcel, which is the frontage of Abbott Street, is designated "General Industrial" and may include some non-agriculturally related uses.

Taxation Code §99.)

The City of Salinas and the County of Monterey agreed to a Tax Transfer Agreement on April 8, 2008. This agreement constitutes the mutual agreement of the two jurisdictions on the fair distribution of property tax revenues following annexation. Both the City and the County have agreed that the provisions of the April 8, 2008 agreement pertain to the proposed Salinas-Ag Industrial Center Annexation. The fiscal needs of the Monterey County Regional Fire Protection District were accounted for in this agreement. The Monterey Regional County Sanitation District and Resource Conservation District of Monterey County do not receive property tax allocations and are therefore not affected.

Section 3. Said proposal is approved subject to the following terms and conditions:

- a. The City, or the Salinas-Ag Industrial Center project applicant, shall meet with representatives of the County to discuss and mitigate the impacts of the development of the Salinas-Ag Industrial Center on County roads.
- b. The U.S. Department of Justice does not interpose any objection to the change in organization following the submission of this proposal to the Department and their review.

Section 4. Said proposal is approved subject to the City's payment of all fees incurred in the processing of the application consistent with the LAFCO fee schedule, including the fee required by the State Board of Equalization. The Certificate of Completion shall not be issued prior to the meeting of this condition.

Section 5. The City of Salinas (applicant) agrees as a condition of the approval of this application to defend at its sole expense any action brought against LAFCO, the Commission and its staff, because of the approval of this application. The applicant will reimburse LAFCO for any court costs and attorneys' fees which may be required by a court to pay as a result of such action. LAFCO may, at its sole discretion, participate in the defense of any such action; but such participation shall not relieve applicant of his obligations under this condition. The obligation on the part of the applicant to indemnify LAFCO is effective upon the adoption of this resolution and does not require any further action.

Section 6. The Local Agency Formation Commission is authorizing waiver of its conducting authority as the subject property is uninhabited and the property owner has consented in writing.

Section 7. The boundaries of the territory proposed to be annexed to the City of Salinas and the Monterey Regional County Sanitation District, and detached from the Monterey County Regional Fire Protection District, are hereby approved as described in Exhibit "A" attached hereto and made a part hereof. Said territory is assigned the following distinctive short form designation "SALINAS-AG INDUSTRIAL AREA ('UNI-KOOL') ANNEXATION."

Section 8. The detachment of the territory from the Resource Conservation District of Monterey County is not approved.

Section 9. The Executive Officer is hereby authorized and directed to mail copies of this resolution in the manner and as provided in Section 56882 of the Government Code.

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this 29th day of March 2010, by the following vote:

AYES:

NOES:

ABSTAIN:

Simón Salinas, Chair
Local Agency Formation Commission of Monterey County

ATTEST: I certify that this resolution is a true and complete record of said Commission's actions.

Witness my hand this ____ day of March, 2010

By: _____
Kate McKenna, AICP, Executive Officer

EXHIBIT "A"
LEGAL DESCRIPTION FOR
SALINAS AG-INDUSTRIAL CENTER ANNEXATION

Real property situate in the County of Monterey, State of California, lying within the Rancho Llano de Buena Vista, being portions of Abbott Street and Harris Road, together with a portion of Parcel "D" as shown on the Record of Survey filed in Vol. 4 of Surveys at Pg. 85, Monterey County Records, also together with a portion of the Lands conveyed from Spreckels Sugar Company to N.P. Johansen et ux, by deed dated December 13, 1934 and recorded in Volume 421, Official Records of Monterey County, at Page 144, described as follows:

Area "A"

Beginning at the most southerly corner of the Lands shown on that certain Map entitled "Map of Industrial Annex No. 7, Annexed to Salinas, Monterey County, California, 1964", filed in Vol. 8 of Cities & Towns, Pg. 26, Monterey County Records, thence Northeasterly along the City Limits Boundary

- 1) N 24°09'02" E, 2,937.69 feet (N23°44'E, 2,971.93 feet per City Limits Boundary) to the southwesterly line of the "Salinas Valley Memorial Hospital Foundation Reorganization, October, 1991", filed in Reel 2701, Page 867, Official Records of Monterey County; thence along said line
- 2) S 61°45'20" E, 787.02 feet (S62°07'E, 786.84 feet per City Limits Boundary) to a point on the City Limits Boundary as shown on that certain Map entitled "Map of Industrial Annex No. 2, Annexed to Salinas, Monterey County, California, May, 1952", filed in Vol. 5 of Cities & Towns, Pg. 87, Monterey County Records; thence along said City Limits Boundary the following three (3) courses:
 - 3) S 24°09'02" W, 85.55 feet (S23°44'W, 86.48 feet per City Limits Boundary); thence
 - 4) S 61°45'20" E, 120.57 feet (S 62°07' E, 120.0 feet per City Limits Boundary); thence
 - 5) N 24°09'02" E, 153.36 feet (N 23°44' E, 153.29 feet per City Limits Boundary) to a point on the City Limits Boundary as shown on that certain Map entitled "Map of Industrial Annex No. 5, Annexed to Salinas, Monterey County, California, July, 1963", filed in Vol. 7 of Cities & Towns, Pg. 95, Monterey County Records; thence along said City Limits Boundary the following five (5) courses:
 - 6) S 61°45'20" E, 210.41 feet (S 61°45' E, 209.09 feet per City Limits Boundary); thence
 - 7) Along the arc of a tangent curve to the right, having a radius of 1720.00 feet, through a central angle of 11°11'00", an arc distance of 335.72 feet; thence
 - 8) S 50°34'20" E, 236.83 feet (S 50°34' E, 237.75 feet per City Limits Boundary); thence
 - 9) S 47°35'13" E, 2,749.46 feet (S 47°36' E, 2,748.70 feet per City Limits Boundary); thence
 - 10) S 36°17'49" W, 1,035.75 feet (S 36°17' W, 1,035.69 feet per City Limits Boundary); thence leaving said City Limits Boundary
 - 11) N 47°36'00" W, 17.21 feet; thence along the southeasterly line of Harris Road

12) S 36°17'49" W, 966.27 feet; thence

13) N 53°42'11" W, 65.00 feet to the most southerly corner of said Parcel "D"; thence along the southwesterly line of said Parcel "D" and the prolongation thereof

14) N 65°57'28" W, 3,783.86 feet to the **Point of Beginning**.

Area "B"

Beginning at the intersection of the southwesterly line of the Union Pacific Railroad right-of-way and the City Limits Boundary as shown on that certain Map entitled "Map of Industrial Annex No. 2, Annexed to Salinas, Monterey County, California, May, 1952", filed in Vol. 5 of Cities & Towns, Pg. 87, Monterey County Records; thence along said Railroad right-of-way and the northeasterly line of Abbott Street

1) S 47°35'13" E, 3,254.39 feet; thence

2) S 47°36'00" E, 1,015.08 feet; thence

3) S 42°24'00" W, 90.00 feet to the southwesterly line of Abbott Street and the city limits line as shown on that certain Map entitled "Map of Industrial Annex No. 5, Annexed to Salinas, Monterey County, California, 1963", filed in Vol. 7 of Cities & Towns, Pg. 95, Monterey County Records; thence along said City Limits Boundary the following four (4) courses:

4) N 47°36'00" W, 1,015.08 feet (N 47°36' W, 1,306.83 feet per City Limits Boundary); thence

5) N 47°35'13" W, 3,007.10 feet (N 47°36' W, 2,714.52 feet per City Limits Boundary); thence

6) N 50°34'20" W, 242.31 feet (N 50°34' W, 243.19 feet per City Limits Boundary); thence

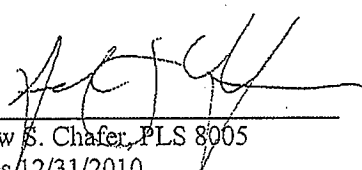
7) N 39°26'04" E, 102.76 feet (N 39°20' E, 90 feet per City Limits Boundary) to the **Point of Beginning**.

Area "A" containing 243.56 acres, Area "B" containing 8.85 acres: Total computed acreage containing 252.41 acres, more or less.

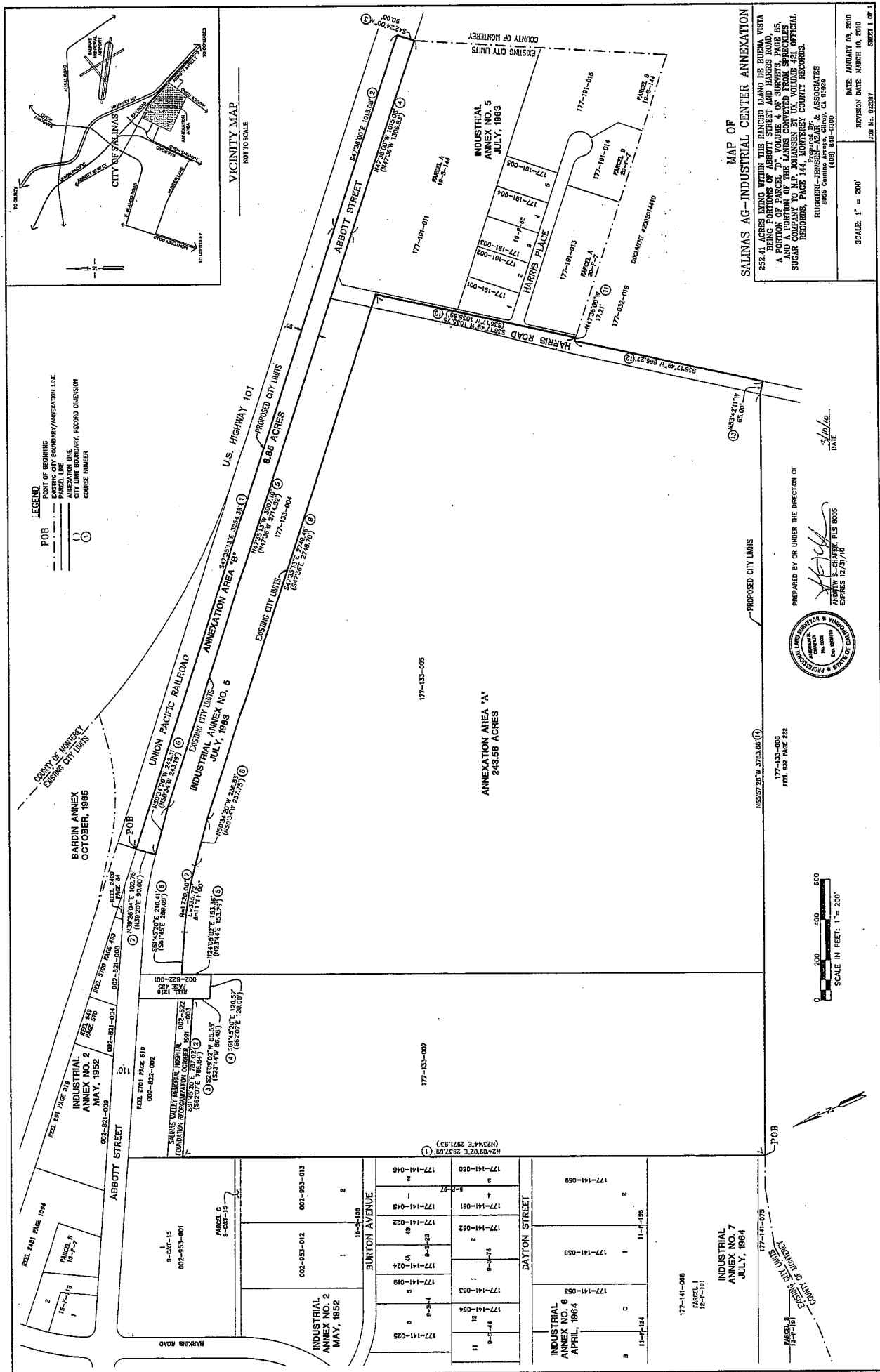
END OF DESCRIPTION

This legal description was prepared by me or under my direction pursuant to the requirements of the Professional Land Surveyor's Act.




Andrew S. Chafer, PLS 8005
Expires 12/31/2010

3/10/10
Date



Attachment 5

Letters from interested parties and agencies



MONTEREY BAY

Unified Air Pollution Control District
serving Monterey, San Benito, and Santa Cruz counties

Air Pollution Control Officer
Richard A. Stedman

24580 Silver Cloud Court • Monterey, California 93940 • 831/647-9411 • FAX 831/647-8501

DISTRICT BOARD MEMBERS

CHAIR:
Simon Salinas
Monterey County

VICE CHAIR:
Sam Storey
Santa Cruz
County Cities

Lou Calcagno
Monterey County

Tony Campos
Santa Cruz
County

Dennis Donohue
City of Salinas

Joseph Russell
Monterey
Peninsula Cities

Ellen Pirie
Santa Cruz
County

Jane Parker
Monterey County

Reb Monaco
San Benito
County

Richard Ortiz
South Monterey
County Cities

Manuel Bersamin
Santa Cruz
County Cities

Sent Electronically to:

mccueta@monterey.lafco.ca.gov

Original Sent by First Class Mail

February 3, 2010

Mr. Thom McCue, Senior LAFCO Analyst
P. O. Box 1369
Salinas, CA 93902

SUBJECT: SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION –
SALINAS AG-INDUSTRIAL PROJECT

Dear Mr. McCue:

The Air District has no comments on the project.

Thank you for the opportunity to review the document.

Sincerely,

Jean Getchell
Supervising Planner
Planning and Air Monitoring Division

MONTEREY COUNTY

RESOURCE MANAGEMENT AGENCY

PLANNING DEPARTMENT, Mike Novo, Director

168 W. Alisal St., 2nd Floor
Salinas, CA 93901

(831) 755-5025
FAX (831) 757-9516



February 19, 2010

Kate McKenna, Executive Director
LAFCO
P.O. Box 1369
Salinas, CA 93902

Subject: Salinas Ag-Industrial Business Park ("Uni-Kool," LAFCO File No. 10-02)

Dear Ms. McKenna:

The Monterey County Resource Management Agency (RMA) has compiled comments from the County departments regarding the City of Salina's proposed annexation for the Ag-Industrial Business Park. Below are comments from the Public Works, Planning and Parks departments regarding LAFCO File No. 10-02. The County has no desire to prevent or impact the timely processing of this application. To the extent areas of disagreement with the City are noted, the County and City will continue discussions toward a mutual resolution of those matters. Accordingly, the County has no objection to the application being deemed complete.

Public Works Department

- 1) The GENERAL INFORMATION section 1.a. (page 8).
 - a. The second bullet should be modified to read "... (from the existing city limit across Harris Road south of Abbott Street to the southern project property line – approximately 3.4 acres) and an approximately 2900-foot long segment of Abbott Street located adjacent to the project's northeastern property line and extending south beyond Harris Road an additional approximately 1300-feet along Abbott Street which abuts lands already within the city limits. The areas of these roadway segments total approximately 12.3 acres;"
 - b. The fourth bullet should be modified to read "...and annexation of the approximately 2900-foot long segment of Abbott Street located adjacent to the project's northeastern property line and extending south beyond Harris Road an additional approximately 1300-feet along Abbott Street..."
- 2) Section 9 Circulation (page 26).
 - a. Section 9.b. should be modified to include a discussion of traffic impacts on County Roads and the maintenance impact on Harris Road and Abbott Street due to the dramatic increase in heavy truck traffic.
 - b. Section 9.c. An alternative to collection of the County Traffic Impact Fee (TIF) should be identified to assure that appropriate mitigation is attained in the event that the County TIF is not implemented before building permits are issued to the developer.
 - c. Section 9.e. should be modified to include a discussion of the maintenance impact on Harris Road and Abbott Street due to the dramatic increase in heavy truck traffic.

- 3) Exhibit B.
 - a. Executive Summary, Capital Improvements (page 2) should be modified to include County Ad Hoc Traffic and Road Maintenance fees.
 - b. Capital Facilities Financing, Development Impact Fees (page 17), Table 5 should be modified to include County Ad Hoc Traffic and Road Maintenance fees. The final amount of these fees is currently under negotiation with City staff.
- 4) Exhibit F
 - a. Amend the Sphere of Influence Map to include approximately 2900-foot long segment of Abbott Street along the eastern project property line.
- 5) Exhibit N
 - a. The exhibit has been checked for accuracy and no changes are needed.
- 6) Exhibit O
 - a. The annexation map has been checked for consistency with legal description and the following corrections should be made:
 - i. Reference to Book 4 of Surveys, Page 85 in title block of map should be changed to Volume 4 of Surveys...
 - ii. Verify bearings and distances shown on map – bearing/distance data on map is inconsistent with data shown on maps referenced in legal description (e.g., earlier annexation maps). If data on Exhibit O is measured data, record data should also be identified on the map; legal description would not require record data if distances and bearings are based on measured information and record data is shown on map.

Planning Department

This matter is addressed in the Master Tax Transfer Upon Annexation Agreement between the City and County dated April 8, 2008. The County agrees that this matter presents no “extreme or unique service problems”, and that the terms of the agreement govern tax sharing for this matter. The City has fulfilled its obligation to consult with the County in compliance with the City-County consultation process required by Government Code Section 56425.

Parks Department

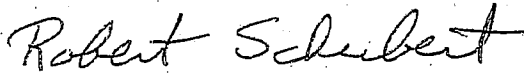
The proposed Salinas-Ag Industrial Center will require an Ag Buffer Zone between the industrial development and cultivated fields. This provides an opportunity to extend existing city Class II bicycle trails on Front and Abbot Streets to and through the newly developed site up to Harris Road. More than a recreational opportunity, a Class 1 bicycle path through the buffer zone separate from any roadway can provide a commuter alternative for the estimated 4,100 workers employed at the site.

A bicycle ride along the fringe of urban development that interfaces with the open space of cultivated fields can be a refreshing human experience, imbuing the bicyclist with a sense of place that weds Monterey County agricultural cultivation with agricultural processing. This is not only a pathway connection, but a perceptual connection of what makes the County and City thrive—agriculture.

Ms. Kate McKenna
February 19, 2010
Page 3

Feel free to call me at (831) 755-5183 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Robert Schubert".

Robert Schubert, AICP
Senior Planner

cc: Thom McCue, LAFCO
Chris Calihan, City of Salinas
Larry Seeman
Wayne Tanda
Jim Cook
Mike Novo
Les Girard
Yazdan Emrani
David Lutes

Attachment 6

Salinas-Ag Industrial Center Environmental Documents
[electronic attachment only]:

- a. Draft Program Environmental Impact Report,
July 8, 2009
- b. Draft Program Environmental Impact Report,
July 8, 2009, Appendices
- c. Final Program Environmental Impact Report,
November 29, 2009